

Example of Calculating the Level of Assistance in Multifamily Properties When All Units Are Federally Assisted

Example 1:

- A 10-unit property is being rehabilitated for hard costs of \$200,000. The property receives \$150,000 in HOME and CDBG funds. Additional funding comes from private sources. All units are federally assisted.
- The average per unit Federal assistance for this project is $\$150,000/10 \text{ units} = \$15,000$.
- The per unit rehabilitation hard costs are $\$200,000/10 \text{ units} = \$20,000$
- Therefore, the level of assistance is \$15,000 (the lesser of \$15,000 and \$20,000).

Example 2:

- A family is purchasing a home. They are receiving \$30,000 in Federal assistance for downpayment, closing costs, and rehabilitation costs. The hard costs of rehabilitation are \$20,000.
- The level of assistance is \$20,000 (the lesser of the hard costs or the total Federal assistance).